

OE Academic Personnel/Staff HR Administration - Funding Model

August 19, 2011**

***The AP/HR Funding Model has been revised in response to concerns regarding weighting for without salary faculty. Based on input from faculty and managers, the AP/HR leadership team revised the funding model costs for volunteer and without salary faculty. The OE Implementation is a dynamic process and all input is important and being listened to.*

Agenda

1. AP/HR Costs
2. Funds Flow
3. Projected Budget through FY 16

OE AP/HR Service Delivery Model

- Transformed organizational structure under one AVC comprised of five service clusters and academic and staff specialty centers
- A reduction in 76 FTE from the 2010 survey baseline to 173
- Human Resources management system and case management tools
- Redesigned and streamlined business processes

Allocation of AP/HR Costs FY 13

Total Estimated AP/HR Service Delivery* <ul style="list-style-type: none">•Five AP/HR Service Center Clusters•Staff and Academic Specialty Centers•Dean's Office Academic Affairs Managers•Amortized startup costs (3 years)	\$22,294,001
Subtract contribution from Central HR, Academic Personnel and Dean's Offices Academic Affairs	\$ 7,377,054
Total Costs Allocated to Schools/Departments	\$ 14,916,947

* Does not include technology costs centrally funded

Funding Model Principles

- AP/HR Services will be funded through recharges to Deans' offices, control points and/or departments
- Allocation is prorated using weighting validated by five departments in Fall 2010 and refined by input from Schools
 - 100% All Faculty (except as noted below)
 - 80% Staff
 - 80% Post-docs and Non-Faculty Academics
 - 20% Volunteer Clinical Faculty
 - 20% Emeritus Faculty without recalls
- AP/HR organization will reevaluate weightings each year
- Amount charged is transparent
- AP/HR Governance committee will review budget

Method for Billing and Collecting

- Cost allocation to control points/departments calculated once/year
- Cost allocation collected on quarterly basis in advance to minimize transactions
- During FY 12 transition year, the amount due from deans' offices/departments/control points will be prorated

Projected budget through FY 16

	FY13	FY14	FY15	FY16
Total Expenses of AP/HR Services	21,351,001	21,644,352	21,677,267	22,293,313
Amortization of one time start-up costs	766,667	766,667	766,667	-
Amortization of one time MPM development	176,333	176,333	176,333	-
Total AP/HR Expenses	22,294,001	22,587,352	22,620,267	22,293,313
Plus Technology Costs	1,122,650	1,122,650	1,122,650	1,122,650
Less contribution from Central HR, Academic Personnel, Deans Office, and other revenue	7,377,054	7,398,909	7,444,476	7,491,410
Less contribution from central funds for Technology Costs	1,122,650	1,122,650	1,122,650	1,122,650
Total costs allocated to Schools/Departments	14,916,947	15,188,443	15,175,791	14,801,903
Annual Cost to Department:				
Per All Faculty (except as noted below)	\$ 1,119	\$ 1,140	\$ 1,139	\$ 1,111
Per Volunteer Clinical Faculty and Emeritus Faculty w/o Recalls	\$ 224	\$ 228	\$ 228	\$ 222
Per Post-doc, Non-Faculty Academic, Staff	\$ 896	\$ 912	\$ 911	\$ 889

- Expenses include benefits escalation
- 3 year amortization (FY13-FY15) of one time start up costs preceding the opening of the new clusters including cluster directors and managers, training personnel, moving and office set up
- 3 year amortization (FY13-FY15) of MPM one-time development costs